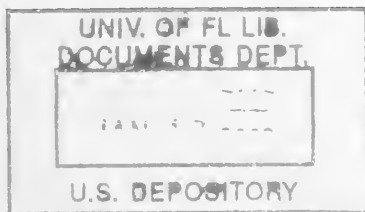


NATIONAL RECOVERY ADMINISTRATION

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AMENDMENT TO  
CODE OF FAIR COMPETITION  
FOR THE  
SHOVEL, DRAGLINE AND  
CRANE INDUSTRY

AS APPROVED ON APRIL 4, 1934



UNITED STATES  
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Approved Code No. 102—Amendment No. 1

AMENDMENT TO CODE OF FAIR COMPETITION

FOR THE

SHOVEL, DRAGLINE AND CRANE INDUSTRY

As Approved on April 4, 1934

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ORDER

MODIFICATION OF CODE OF FAIR COMPETITION FOR THE SHOVEL,  
DRAGLINE AND CRANE INDUSTRY

An application having been duly made pursuant to and in full compliance with the provisions of Title I of the National Industrial Recovery Act, approved June 16, 1933, for approval of the Supplemental Fair Trade Practice Provisions of the Code of Fair Competition for the Shovel, Dragline and Crane Industry, and hearings having been duly held thereon and the annexed report of said Trade Practice Provisions, containing findings with respect thereto, having been made and directed to the President:

NOW, THEREFORE, on behalf of the President of the United States, I, Hugh S. Johnson, Administrator for Industrial Recovery, pursuant to authority vested in me by Executive Orders of the President, including Executive Order No. 6543-A, dated December 30, 1933, and otherwise; do hereby incorporate by reference said annexed report and do find that said Trade Practice Provisions comply in all respects with the pertinent provisions and will promote the policy and purposes of said Title of said Act; and do hereby order that said Trade Practice Provisions be and they are hereby approved.

HUGH S. JOHNSON,  
*Administrator for Industrial Recovery.*

Approval recommended:

A. R. GLANCY,  
*Division Administrator.*

WASHINGTON, D.C.,  
*April 4, 1934.*

## REPORT TO THE PRESIDENT

The PRESIDENT,  
*The White House.*

SIR: This is a report on the Supplemental Fair Trade Practice Provisions for the Code of Fair Competition for the Shovel, Drag-line and Crane Industry, as revised after public hearing held in Washington on the 26th day of January and the 5th day of February, 1934, in accordance with the provisions of the National Industrial Recovery Act.

The Trade Practice Provisions of the Code approved by you on November 8, 1933, were applicable to power-operated convertible shovels and draglines and special modifications thereof. Provision was made in the Code for the submission of supplemental trade practice provisions, applicable to other machines or attachments in the industry, and the Trade Practice Provisions herewith submitted apply to the large machine and locomotive crane divisions of this industry.

The Deputy Administrator in his final report to me having found as herein set forth and on the basis of all the proceedings in this matter;

I find that:

(a) Said Trade Practice Provisions are well designed to promote the policies and purposes of Title I of the National Industrial Recovery Act, including removal of obstructions to the free flow of interstate and foreign commerce which tend to diminish the amount thereof and will provide for the general welfare by promoting the organization of industry for the purpose of cooperative action among the trade groups, by inducing and maintaining united action of labor and management under adequate governmental sanctions and supervision, by eliminating unfair competitive practices, by promoting the fullest possible utilization of the present productive capacity of industries, by avoiding undue restriction of production (except as may be temporarily required), by increasing the consumption of industrial and agricultural products through increasing purchasing power, by reducing and relieving unemployment, by improving standards of labor, and by otherwise rehabilitating industry.

(b) Said Industry normally employs not more than 50,000 employees, and is not classified by me as a major industry.

(c) The Trade Practice Provisions as approved comply in all respects with the pertinent provisions of said Title of said Act, including without limitation Subsection (a) of Section 3, Subsection (a) of Section 7, and Subsection (b) of Section 10 thereof; and that the applicant group is an industrial association truly representative of the aforesaid industry; and that said association imposes no inequitable restrictions on admission to membership therein.

(d) The Trade Practice Provisions are not designed to and will not permit monopolies or monopolistic practices.

(e) The Trade Practice Provisions are not designed to and will not eliminate or oppress small enterprises and will not operate to discriminate against them.

(f) Those engaged in other steps of the economic process have not been deprived of the right to be heard prior to approval of said Trade Practice Provisions.

For these reasons, these Trade Practice Provisions have been approved by me.

Respectfully,

HUGH S. JOHNSON, *Administrator.*

APRIL 4, 1934.

# AMENDMENT TO CODE OF FAIR COMPETITION FOR THE SHOVEL, DRAGLINE AND CRANE INDUSTRY

## ARTICLE VII—TRADE PRACTICES

Add the following sub-paragraph (g) to Section 13, and add Section 19 to read:

(g) *Detailed Drawings.*—Furnishing detailed drawings of standard machines or attachments, including parts of same, except when justified by the needs of an emergency break-down.

SECTION 19. *Governmental Contracts.*—(a) The foregoing Sections 6, 7, and 8 of this Article shall not apply to sales to Counties and Townships, provided that payment on such sales is made directly by such Counties or Townships.

(b) Sales may be made on a delivered basis to the United States or instrumentalities thereof and to States or any subdivisions thereof.

## ARTICLE VII—A—TRADE PRACTICES FOR LARGE MACHINES

The trade practices set forth in Article VII of this Code shall be applicable to the manufacture for sale and the sale by the manufacturer of power operated convertible shovels and draglines and special modifications thereof, such as cranes equipped for clamshell or lifting service, back digging trench-hoes, skimmers, auto truck-cranes, and the like, all having a nominal rating of three (3) cubic yards capacity and more, which shall constitute a Division of the Industry, to be known as the Large Machine Division, except full-revolving shovels and draglines having a nominal rating of six (6) cubic yards capacity and more.

The following trade practices shall be applicable to the manufacture for sale and the sale by the manufacturer of full revolving shovels and draglines having a nominal rating of six (6) cubic yards capacity and more:

SECTION 1. *Definitions.*—The following words are used hereafter with the meanings set forth below:

*Machine or Attachment.*—A bare machine with or without traction mounting and with or without shovel, dragline, clamshell, or other standard or special front end equipment; or such equipment sold separately; or auxiliary equipment, such as light plants, air-compressor equipment and other accessories; or any combination of any of the foregoing; but not repair or spare parts for any of the foregoing.

*New Machine or Attachment.*—A machine or attachment which has not previously been sold and placed in the possession of the purchaser.

*Used Machine or Attachment.*—A machine or attachment which has previously been sold and placed in the possession of the purchaser.

*Shipment.*—Any reference to the date of shipment shall refer to the date on which the transportation company issues a bill of lading for the final carload shipment; or, in the case of delivery by other means than a transportation company, the date on which the final shipment leaves the factory. The withholding of a portion of a shipment shall not be considered as postponing the date of shipment.

*Distributor.*—Dealers, distributors, sales representatives, salesmen, sales agents and any other person authorized to sell or negotiate sales of new machines on behalf of a member of the Industry, except direct employees of the member of the Industry.

SECTION 2. *Violation of Trade Practice Code.*—Any deviation from the standards set forth herein, or any amendments thereto, by any member of the Industry, either directly or indirectly through a distributor, shall be considered an unfair method of competition and a violation of this Code by such member.

SECTION 3. *Firm Orders Required.*—New machines or attachments shall be sold only under firm sales contracts or firm purchase orders, and such contracts or orders shall provide for shipment within eight (8) months of the date the contract or order is signed by the purchaser.

SECTION 4. *Interest.*—In the sale of a new machine or attachment on deferred-payment terms, the rate of interest on all unpaid portions of the purchase price shall be not less than six per cent (6%) per annum from the date of shipment, until paid.

SECTION 5. *Cash Discount.*—Cash discounts terms on sales of new machines or attachments shall not exceed one per cent (1%) for cash on or before the 10th of the calendar month following the calendar month in which shipment is made.

SECTION 6. *Net Cash Sales.*—When sales of new machines or attachments are made on a net cash basis, and no cash discount is involved, payment in full shall be required of the purchaser within forty-five (45) days from the date of shipment.

SECTION 7. *Guaranty.*—In the sale of a new machine or attachment, no guaranty shall be made except for materials and workmanship and for conformity to specifications; provided that no guaranty of materials or workmanship shall be made beyond claims presented in writing within six months after date of shipment.

SECTION 8. *No Discrimination Between Purchasers.*—In the sale of new machines or attachments, no member of the Industry shall discriminate, either directly or indirectly, by any of the following practices, and no member of the Industry shall engage in any of such practices:

(a) *Rentals.*—Renting new machines or attachments.

(b) *Trials and Demonstrations.*—Selling a new machine or attachment subject to acceptance after a trial or demonstration on the purchaser's job.

(c) *Trade-ins.*—Taking used machines or attachments, or used equipment, in trade on the purchase price of a new machine or attachment, or making an allowance or granting credit directly or indirectly therefor in any connection.

(d) *Rebates.*—Paying or allowing, directly or indirectly, to any purchaser of a new machine or attachment, or to any official, officer or employee of such purchaser, in connection with any sale or pro-

spective sale, any open or secret rebate, commission, bonus, refund, unearned discount, or subsidy of any kind, whether in the form of money, services, free repairs or parts, or otherwise. Nothing herein contained shall prevent the payment of compensation to employees and distributors of the members of the Industry.

(e) *Looking Only to Security*.—In the sale of a new machine or attachment, waiving or agreeing to waive the obligation of the purchaser to pay the purchase price in whole or in part, or limiting or agreeing to limit the manufacturer's right to collect by suit the purchase price in whole or in part, or agreeing to look only to the machine for security.

(f) *Protection of Price Changes*.—Agreeing, by option or otherwise, with a prospective purchaser of a new machine or attachment as to price of a future sale; or agreeing to give the purchaser of a new machine or attachment any reduction in the contract sales price contingent on future price reductions.

(g) *Detailed Drawings*.—Furnishing detailed drawings of standard machines or attachments, including parts of same, except when justified by the needs of an emergency break-down.

SECTION 9. *Misrepresentation of Own Products*.—In the sale or offering for sale of any machine or attachment, members of the Industry shall use their best efforts to prevent misrepresentation of their products by any false means or device which has the capacity or tendency to mislead or deceive purchasers or prospective purchasers.

SECTION 10. *Defamation of Competitors*.—No member of the Industry shall defame any competitor by words or acts which falsely represent the business integrity or ability to perform contracts of any competitor, or the grade, quality, or reliability of his products.

SECTION 11. *Interference with Contractual Relations*.—No member of the Industry shall maliciously induce or attempt to induce the breach of an existing oral or written contract between a competitor and his customer or source of supply, or interfere with or obstruct the performance of any such contractual duties or services.

SECTION 12. *Standards of Responsibility*.—Members of the Industry should maintain necessary engineering and production facilities to fulfill warranties and credit terms involved in sales, and to supply necessary service and repair parts.

SECTION 13. *Other Unfair Practices*.—Nothing in this Code shall limit the effect of any adjudication by the Courts or holding by the Federal Trade Commission on complaint, finding, and order, that any practice or method is unfair, providing that such adjudication or holding is not inconsistent with any provision of the Act or of this Code.

## ARTICLE VII B—TRADE PRACTICES FOR LOCOMOTIVE CRANES

The trade practices set forth in Article VII of this Code shall be applicable to the manufacture for sale and the sale by the manufacturer of power operated, standard gauge, full-revolving locomotive cranes having a nominal rating, without outriggers, of three (3) to fifty (50) tons capacity, both inclusive, and special modifications of such machines embodying locomotive crane superstructure, which



shall constitute a Division of the Industry, to be known as the Locomotive Crane Division. In addition to said trade practices, the following trade practice shall be applicable to the Locomotive Crane Division:

SECTION 20. *Performance Standards*.—Every proposal upon machines coming within the range of Locomotive Crane Manufacturers' Association Performance Standards, Exhibit "A" attached hereto, shall be based upon said Standards.

Approved Code No. 102. Amendment No. 1.  
Registry No. 1329-1-01.

## EXHIBIT A

### ESTABLISHED PERFORMANCE STANDARDS OF THE LOCOMOTIVE CRANE MANUFACTURERS' ASSOCIATION

This Crane fully complies with the performance standards of the Locomotive Crane Manufacturers' Association adopted March 10, 1921, which are as follows:

1. These performance standards apply only to standard types of standard gauge Crane, not exceeding railroad clearance height of approximately 16 feet. Locomotive Cranes of nominal rated capacities other than those stated in paragraph 2 must conform to the basis established by those standards.

2. Locomotive Cranes of nominal rated capacities shown below must have at least the capacities listed at the minimum in the following table:

Nominal rated capacity	Car	Minimum safe load without outriggers	
		12-foot radius	40-foot radius
		<i>Pounds</i>	<i>Pounds</i>
10-ton.....	4-wheel and 8-wheel.....	20,000	4,000
15-ton.....	4-wheel and 8-wheel.....	30,000	6,000
20-ton.....	4-wheel.....	40,000	8,000
25-ton.....	8-wheel.....	50,000	10,000
30-ton.....	8-wheel.....	60,000	12,000

NOTE.—The minimum safe loads shown above are based upon using 40-foot boom, but are not necessarily available with booms of greater length.

3. The tipping capacity of a Crane is at least 17% greater than the safe load specified at any and all radii.

4. The tipping fulcrum is taken at 2.45 feet from the center of the Crane.

5. The radius is the distance from the rotating center of the Crane to the center of gravity of the suspended load.

6. In order to eliminate the varying effect of centrifugal force in a rotating test of a Crane with maximum load at any radius, the radius thus determined is to be fixed by tying the load back to the boom foot.

7. The lifting capacities of a steam Crane are computed with fuel and water tanks half full, and with two gauges of water in boiler.

8. Fall block is considered part of Crane only when required to lift the load. The intention is to satisfactorily rate a Crane for bucket work, in which the bucket usually operates on a single line, and the block is dispensed with.

9. In figuring the stability to the rear, the center of gravity is taken a distance of 21 inches back of the center of the Crane, with half the specified capacity of fuel and water in the tanks and two gauges of water in the boiler on steam cranes, with the boom at the minimum radius for the length of boom used, and with the fall block on the ground.

10. The length of the boom is measured from center of hinge pin to the center of main hoist sheave pin.

11. The tractive effort, draw bar pull, or grade specified must be considered definitely in connection with the travel speed at which that tractive effort or draw bar pull is available and the grade specified negotiable. The tractive effort utilized in the specifications of these functions does not exceed 17% of the weight on the propelling axles, with one-half fuel and water in the tanks and two gauges of water in the boiler on steam Cranes, and without load.











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